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the Georgia Supreme Court had held that taking interest upon short-time paper in advance at eight per cent was usurious. (*Loganville Banking Co. v. Forrester*, 143 Ga. 302, 84 S. E. 961.) The plaintiff, having sued in the state court to recover the penalty allowed by the National Bank Act, on *certiorari*, *Held*, that the transaction does not violate the statute. Pitney, Clarke, and Brandeis, JJ., dissenting. *Evans v. National Bank of Savannah*, U. S. Sup. Ct., No. 67, October Term, 1919.

The sole question seems to be what is meant by the words of the National Bank Act, "at the rate of interest allowed by the laws of the state where the bank is located." In determining what are the laws of a state, the Supreme Court usually follows the latest state decision upon the question. *Union National Bank v. Louisville, Etc. R. R. Co.*, 163 U. S. 325; *Bucher v. Cheshire R. R. Co.*, 125 U. S. 555. The "rate of interest" has been construed to include the mode of charging interest. Where a state statute declared that interest compounded oftener than annually was usury, a note bearing interest compounded semi-annually was held usurious under the National Bank Act, although the total interest did not exceed the maximum allowed by State law. *Citizens National Bank v. Donnell*, 195 U. S. 369. Furthermore, the obvious intent of the framers of the National Bank Act was that national banks should charge as much but not more than state banks. In favor of the principal case, it may be said that, contrary to the Georgia case, the weight of authority and long-established business custom is that the taking of interest in advance at the maximum rate is not usury. *Bank of Newport v. Cook*, 60 Ark. 288, 30 S. W. 35; *Stark & Wales v. Coffin*, 105 Mass. 328. But the majority opinion does not purport to question the correctness of the Georgia decision. Thus the dissenting opinion seems the better one.

BANKS AND BANKING — NATIONAL BANKS — POWER OF NATIONAL BANK TO ACQUIRE AND OPERATE A STREET RAILWAY. — A street railway was built over certain streets in a village under a twenty-five year franchise granted by the village. The railway was twice placed in the hands of a receiver, and under the second receivership was sold to a national bank, which bought in the property in order to protect the bonds of the company which it owned. The bank continued to operate the road for a short time. Failing to find a purchaser, it was about to discontinue operation and dismantle the road. The village brought suit to enjoin the discontinuance. The bank pleaded its lack of power to assume the obligations of the franchise to operate the road. *Held*, that the bank be authorized to discontinue operation and dismantle the road. *Gress v. Village of Ft. Loramie*, 125 N. E. 112 (Ohio).

For a discussion of this case, see NOTES, p. 718, *supra*.

CONFLICT OF LAWS — CAPACITY — NOTE MADE BY MARRIED WOMAN IN ONE STATE PAYABLE IN ANOTHER. — An action was brought in Virginia upon a promissory note executed and delivered by a married woman in Tennessee, where she was without capacity to contract. The note was payable in Virginia, where the disabilities of coverture had been removed. *Held*, that coverture is no defense. *Poole v. Perkins*, 101 S. E. 240 (Va.).

A fair degree of unanimity has obtained with reference to the question of the controlling law as to capacity to enter into a personal contract. In the United States, in case of conflict between the law of the domicile and the law of the place where the contract is made, the question is resolved with reference to the latter. *Bell v. Packard*, 69 Me. 105; *Milliken v. Pratt*, 125 Mass. 374. And as the existence of a contract must depend, in our system of territorial law, upon the effect conferred by the law in force where the agreement is entered upon, the *lex loci contractus* controls, as to capacity, in case of con-